

PROOF OF CLAIM

United States District Court
Southern District of Texas
RECEIVED
SEP 20 2000
Michael N. Milby, Clerk

Statement of Account

Bill STAGE STORES INC.
To: ATTN: JAY ZACHARIAS
 MANAGER OF SYSTEMS
 10201 MAIN STREET
 HOUSTON TX 77025

Date: 24-Jul-00
Account: B212

Invoice			Payments	Balance
Date	Number	Amount		
Total Contracted License for Use of Software Technology				
Apr-00				
SyncSort MVS				
Apr-00	00040451	4,086.44	0.00	4,086.44
Apr-01		4,086.44	0.00	4,086.44
Apr-02		4,086.44	0.00	4,086.44
Apr-03		4,086.44	0.00	4,086.44
Apr-04		4,086.44	0.00	4,086.44
Totals		20,432.20	0.00	20,432.20

**** Total includes Texas Sales Tax

FAX (201) 930-8222

INDICATE ADDRESS CHANGES ON BACK

Bill To:

HOUSTON TX 77025

IF PAYING BY ELECTRONIC
FUNDS TRANSFER, WIRE PMT TO
CHASE MANHATTAN BANK, NY, NY
ABA ID # 021000021
ACCT # 114-042616

DESCRIPTION	DATE	AMOUNT
00A SYNC SORT MVS	04/30/00-04/29/01 4,525.00/YEAR	\$ 3,775.00
STATE TAX - TEXAS		\$ 311.44
**** ORIGINAL ****		\$ 4,086.44



Schedule For Program Product(s) License(s) and/or Program Product(s) Maintenance Service(s)

The SCHEDULE below and the conditions on the reverse side are hereby made part of the Agreement for Program Product(s) and/or Program Product(s) Maintenance Service(s) dated 1/22/86

PROGRAM PRODUCT	L or M	TERM		COMPUTER SYSTEM	COMPUTER SITE ADDRESS	FEES (IN US \$)	FOR SSI INTERNAL USE ONLY
		EFFECTIVE DATE	DURATION				
SYNCSORT MVS	L	4-30-00	5 yrs.	CPU Model 9672-RB6 System ID: Operating System: OS/390	10201 Main Street Houston, TX 77025	4/30/00: \$3,775.00 4/01, 4/02, 4/03, 4/04: \$4,525.00 Per Year	Bald-00A
				CPU Model: System ID: Operating System:			
				CPU Model: System ID: Operating System:			
				CPU Model: System ID: Operating System:			
				CPU Model: System ID: Operating System:			
				CPU Model: System ID: Operating System:			

Program Product(s) L or M
Term—Effective Date
Duration
Computer System—CPU Model
Computer System—System ID
Operating System
Computer Site Address
Fees

— Syncsort MVS, SyncsortBACKUP, Syncsort UNIK, etc.
— L or M License; M II MAINTENANCE PROVISION.
— Start date of License or MAINTENANCE PROVISION.
— 5 yrs., etc., or P II perpetual.
— IBM 9021-682, AMDAHL 6805-6670M, DEC VAX 6000-610, HP H70, etc.

— Serial No. of CPU, and/or Network Mode Name
— MVS/ESA, DOS/VE, VMS, HP-UX, AIX, SOLARIS, etc.
— Address of computer site where Program Product will be used.
— Enter both amount and frequency of payment.

ACCEPTED BY: Stage Stores Inc. LICENSEE
AUTHORIZED SIGNATURE
NAME
DATE

15-1-00

ACCEPTED BY: SYNC SORT INCORPORATED
Stephen S. Kutz VP, Finance and Administration



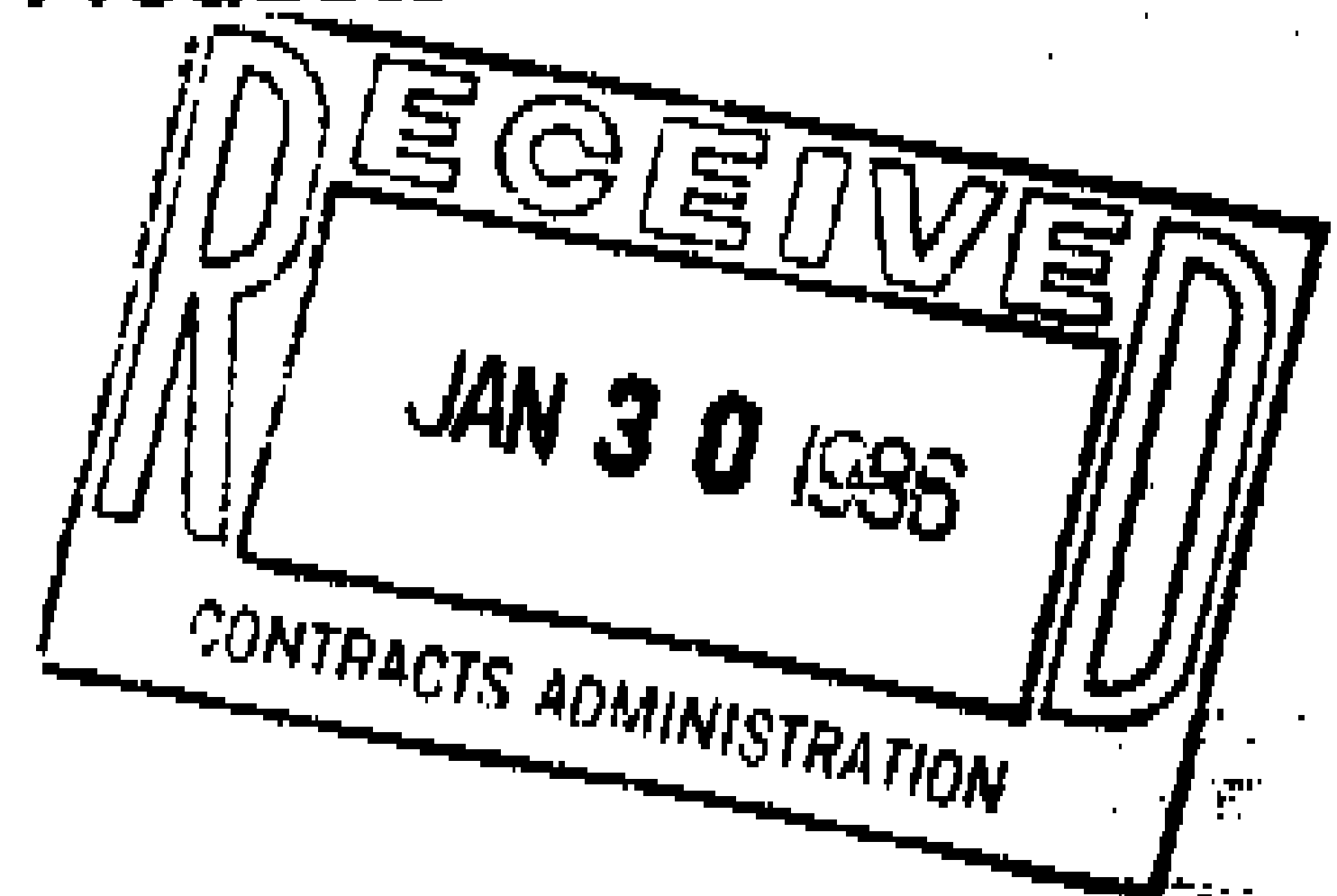
Dated 1/22/86

CA

License Agreement For Program Products

Between

Syncsort Incorporated
a New Jersey Corporation
with offices at:
560 Sylvan Avenue,
Englewood Cliffs,
New Jersey 07632
(hereinafter called "SSI")



And

PALAIS ROYAL OF HOUSTON, INC.
(company)
a TEXAS Corporation
(state)
with offices at:

10201 SOUTH MAIN
(address)
HOUSTON, TEXAS 77025

(hereinafter called "LICENSEE")

1. LICENSE(S)

SSI hereby grants to LICENSEE, and LICENSEE hereby accepts, a non-exclusive and non-transferable license(s) to use certain Program Product(s) ("PRODUCT(s)").

Each license licenses the use of a single PRODUCT and is subject to the terms and conditions of this Agreement.

Each license is to be specified in a properly executed License Schedule ("SCHEDULE") which is made part of this Agreement.

2. SCOPE OF LICENSE(S)

Each license for a Class A PRODUCT, specified in a SCHEDULE, authorizes the LICENSEE to use such PRODUCT only on the computer designated for such license in the SCHEDULE or, upon written notice to SSI, on a future replacement of such computer.

Each license for a Class B PRODUCT, specified in a SCHEDULE, authorizes the LICENSEE to use such PRODUCT only at the computer site designated for such license in the SCHEDULE or, upon written notice to SSI, at a future replacement of such computer site.

LICENSEE is further authorized to use the PRODUCT(s) on a temporary basis, on a back-up computer or at a back-up site when the designated computer or site is inoperable, until operable status is restored.

3. TERM AND FEES

The initial term of each license and associated license fees shall be as set forth in the SCHEDULE(s). Fees shall be paid in full within thirty (30) days from date of invoice.

This Agreement, including the terms and conditions set forth on its reverse side, constitutes the entire understanding between the parties with respect to the matter contained herein and supersedes all prior agreements and representations whether written or oral. This Agreement may not be modified except in writing signed by authorized representatives of both parties.

This Agreement shall become binding when accepted by SSI at Englewood Cliffs, New Jersey.

ACCEPTED: PALAIS ROYAL OF HOUSTON, INC.

Licensee

BY: Eugene A. Good

Authorized Signature
EUGENE A. GOOD

Name
V/P OF MIS

Title
1/22/86

Date

ACCEPTED BY:

SYNCSORT INCORPORATED

BY: Stephen S. Kutz

Authorized Signature
Stephen S. Kutz

Name
Vice President—Finance & Administration

Title
2/4/86

Date

4. MAINTENANCE AND ENHANCEMENTS

SSI shall provide the PRODUCT(s) in machine readable form.

During the term of each license, SSI shall provide to LICENSEE, free of charge, service for the purpose of correcting any programming errors in the PRODUCT(s) and all enhancements to the PRODUCT(s) which SSI shall make from time to time.

5. SOURCE CODE ESCROW

SSI represents that copies of the source code of the PRODUCT(s) have been deposited in escrow with the law firm of Delson & Gordon, 605 Third Avenue, New York, N.Y. 10158. In the event that prior to expiration of all licenses for a particular PRODUCT, specified in the SCHEDULE(s), SSI discontinues maintaining such PRODUCT for any reason, whatsoever, LICENSEE shall be entitled to obtain a copy of the source code of such PRODUCT from Delson & Gordon. Such source code shall be used by LICENSEE only for the purpose of internally supporting the PRODUCT.

6. WARRANTIES

SSI shall defend or, at its option, settle any claim, suit or proceeding brought against LICENSEE and based on a claim that the PRODUCT(s) infringe a third party's patent or copyright, provided that LICENSEE notifies SSI promptly in writing of any such claim, suit or proceeding and gives SSI full information and assistance to settle and/or defend.

SSI represents and warrants that the PRODUCT(s) shall be free of known programming errors, when delivered, and any service rendered by SSI shall be performed in a professional manner by qualified personnel. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Except as provided above, SSI's liability hereunder is limited solely to the correction of or replacement of the PRODUCT(s). SSI SHALL NOT BE LIABLE TO LICENSEE OR ANY OTHER PERSON OR ENTITY WITH RESPECT TO ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED BY THE PROGRAM PRODUCT(s), ITS USE OR OPERATION, INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL DAMAGES AND LOSS OF PROFIT.

7. TITLE

Title to the PRODUCT(s) shall not be transferred to LICENSEE.

8. TAXES

The license fees, set forth in the SCHEDULE(s), do not include local, state or federal sales, use, excise, personal property or other similar taxes or duties. Any such taxes or duties, when applicable, shall be paid by LICENSEE to SSI within thirty (30) days from date of invoice, unless LICENSEE provides proof that such taxes or duties have been paid to the appropriate governmental authorities.

9. LICENSE EXTENSIONS

Upon expiration, the initial term of each license specified in the SCHEDULE(s) shall automatically be extended for successive terms of the same duration as the initial term, unless either party gives to the other a written notice of termination at least thirty (30) days prior to expiration of the initial or a subsequent extension term. All terms and conditions of this Agreement shall apply during such extension term(s), and the license fees for the extension term(s) shall be SSI's license fees then in effect.

10. DEFAULT

In the event that LICENSEE shall default in the payment of any license fees, hereunder, for a period exceeding thirty (30) days, or in the event of any default in or breach of the terms of

this Agreement, or if LICENSEE becomes insolvent or if bankruptcy or receiver proceedings are initiated by or against LICENSEE, SSI shall have the right to terminate this Agreement. Upon such termination, all amounts that would have been due and payable for the entire term of then current licenses shall immediately become due and payable to SSI. LICENSEE shall be liable for reasonable attorney's fees incurred, by SSI, in connection with SSI's collection of any amounts due SSI hereunder.

11. CONFIDENTIALITY

LICENSEE recognizes that the PRODUCT(s) contain trade secrets and, accordingly, LICENSEE agrees not to disclose, transfer or otherwise make available the PRODUCT(s), including any flow charts, logic diagrams, code and any information revealing the PRODUCT(s)' structure, processes or methods of operation, to any person other than employees of LICENSEE who have a need to have such knowledge for use of the PRODUCT(s). LICENSEE further agrees to exercise, with respect to the PRODUCT(s), the same care and discretion to avoid disclosure, publication or dissemination as LICENSEE uses with respect to similar information of its own which it does not desire to have copied, disclosed, published or disseminated.

12. USE AND ASSIGNMENT

The rights and license(s) granted LICENSEE to use the PRODUCT(s) are restricted solely and exclusively to LICENSEE for its use for its normal business purposes. Such rights may not be assigned, subleased, or sold without the written approval of SSI.

13. ADDITIONAL LICENSES

In the event that LICENSEE desires (a) to extend the use of licensed Class A PRODUCT to computers, in addition to those designated in the SCHEDULE(s) (as in the case of subsequent acquisition of additional computers), or (b) to extend the use of licensed Class B PRODUCT to computer sites in addition to those designated in the SCHEDULE(s), LICENSEE shall notify SSI for the purpose of securing additional licenses as required. Such notification shall be done in writing at least thirty (30) days prior to commencement of such PRODUCT use.

14. ACCEPTANCE PERIOD

Each initial license shall have an Acceptance Period commencing on the date the corresponding PRODUCT is installed and continuing for a period of thirty (30) days for Class A PRODUCT(s) and sixty (60) days for Class B PRODUCT(s), from such date. LICENSEE shall have the right to terminate an initial license at any time during the Acceptance Period without any financial obligations.

15. RETURN OF PRODUCT(S) UPON LICENSE TERMINATION

Upon termination of all licenses for a particular PRODUCT for any reason whatsoever, LICENSEE shall promptly certify to SSI, in writing, that LICENSEE has permanently eliminated the PRODUCT from its computers, tapes, disks or any other data storage media and that LICENSEE has ceased the use of the PRODUCT. LICENSEE shall promptly return to SSI, by postage prepaid mail, all tapes and manuals provided to LICENSEE by SSI.

16. SEVERABILITY

If any provision, or portions thereof, of this Agreement are invalid under any applicable statute or rule of law, they are to that extent to be deemed omitted.

17. LAW

The validity, construction and interpretation of this Agreement shall be governed by the laws of the State of New York.